

**UNITED DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:

Case No. 09-12950

UNITED STATES SECURITIES AND
EXCHANGE COMMISSION,

Honorable David M. Lawson

Plaintiff,

v.

JOHN J. BRAVATA, RICHARD J.
TRABULSY, ANTONIO M. BRAVATA,
BBC EQUITIES, LLC, BRAVATA
FINANCIAL GROUP, LLC and SHARI A.
BRAVATA,

Defendants.

**RECEIVER'S RESPONSE TO BRAVATA DEFENDANTS' EMERGENCY MOTION
FOR ORDER DIRECTING MAINTENANCE OF INSURANCE ASSETS**

Receiver, Earle I. Erman, submits this response to the Emergency Motion For Order Directing Receiver To Maintain Life Insurance Assets For Benefit Of The Receivership Estate Or Alternatively To Transfer Ownership ("Motion"), filed by the Bravata Defendants. As set forth below, the Receiver hereby provides notice that it will deliver the requested payment by express courier as of today's date in order to preserve the status quo and so that the issues presented by the Bravata Defendants can be fully assessed and, if needed, briefed before the Court.

The Bravata Defendants filed their Motion seeking emergency alternative relief as to an insurance policy premium they claim immediately is due and which, if not paid, allegedly will result in the lapse of a policy issued by The Lincoln National Life Insurance Company on the life

of Joanne Patricia Bravata, mother of Defendant, John J. Bravata (the "Policy"). Specifically, the Bravata Defendants request the Court either to enter an Order directing the Receiver to allocate the amount of \$6,236.88 from the balance of cash in the Receiver's accounts and to timely deliver the premium payment due on the Policy or, in the alternative, to direct the receiver to transfer or assign the claimed ownership interest of Defendant BBC Equities, LLC in the Policy to Mr. Bravata. Motion at 4-5. The Bravata Defendants' Motion states that the Policy will lapse if payment is not received by Lincoln National Life Insurance Company by November 15, 2009.

Counsel for all parties conferred at length after receipt of the Motion in an effort to reach a stipulation as to payment and the disposition of the Policy. A stipulation was not able to be reached. As a result, and solely in order to preserve the status quo, the Receiver shall today forward, by express courier, payment of the Policy premium pursuant to recipient instructions provided by the Bravata Defendants' counsel. Thereafter, based upon additional information provided by the Bravata Defendants, if any, as to the Policy and the merit of it being maintained as asset of the estate, the Receiver shall determine whether to make any further premium payments, at which time the parties can bring any unresolved issues concerning the Policy and its disposition to the Court's attention for determination.¹

¹ The Receiver rejects the accusation set forth in the Bravata Defendants' Brief that it has acted inappropriately in any manner concerning the collection of receipts and use of those funds towards preservation of assets. If warranted, the Receiver will supplement this submission to fully rebut those inappropriate and incorrect accusations.

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Dated: November 13, 2009

CERTIFICATE OF SERVICE

The undersigned certifies that on November 13, 2009, a **RESPONSE TO BRAVATA DEFENDANTS' EMERGENCY MOTION FOR ORDER DIRECTING MAINTENANCE OF INSURANCE ASSETS** was electronically filed with the Clerk of the Court for the United States District Court, Eastern District of Michigan, Southern Division using the CM/ECF System, which will send notification of such filing to all attorneys and parties of record registered electronically.

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